

State:	District of Columbia	Filing Company:	Group Hospitalization and Medical Services, Inc.
TOI/Sub-TOI:	H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO		
Product Name:	HealthyBlue PPO		
Project Name/Number:	/		

Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1		HealthyBlue PPO Rates	DC/CF/HB/EOC (1/13), DC/CF/HB/DOCS (1/13), DC/CF/HB/SOB (1/13), DC/CF/HB/ES (1/13), DC/CF/HB/WELLNESS (1/13), DC/CF/HB/IPP MEM (1/13), DC/CF/HB/IPP/GRP (1/13)	New		GHMSI_51+_HB20_NetworkChanges_Rates.pdf,

Healthy Blue Rates

Network: HealthyBlue PPO (RPN/Blue Card in network with out of network benefits)

		HRA	HSA
NonCDH	\$300 Deductible	\$ 422.59	
	\$500 Deductible	\$ 405.95	
	\$1000 Deductible	\$ 374.33	
CDH (Int HRA/HSA)	\$1500 Deductible	\$ 381.09	\$ 352.85
	\$2000 Deductible	\$ 342.90	\$ 317.49
	\$2500 Deductible	\$ 302.82	\$ 280.39

SERFF Tracking #:	CFAP-128971931	State Tracking #:	Company Tracking #:
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Supporting Document Schedules

Satisfied - Item:	Cover Letter All Filings
Comments:	Information is included in the Actuarial Memorandum and Actuarial Justification sections.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Certificate of Authority to File
Bypass Reason:	This filing is not being prepared by a third party.
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Memorandum
Comments:	
Attachment(s):	GHMSI_DC_51+_HB2 0_NetworkChanges.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Justification
Comments:	
Attachment(s):	Actuarial Certification DC GHMSIHB FILING040113.pdf
Item Status:	
Status Date:	

Bypassed - Item:	District of Columbia and Countrywide Loss Ratio Analysis (P&C)
Bypass Reason:	Not P&C filing
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	District of Columbia and Countrywide Experience for the Last 5 Years (P&C)
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Bypass Reason:	Not a P&C Filing
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Consumer Disclosure Form
Bypass Reason:	Initial Filing
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Actuarial Memorandum and Certifications
Bypass Reason:	Not required to fill out a Unifed Rate Review Template.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Unified Rate Review Template
Bypass Reason:	This is a large group filing.
Attachment(s):	
Item Status:	
Status Date:	

Group Hospitalization and Medical Services, Inc.
New Products for 51+ Non-MSGR HealthyBlue PPO Rate Filing Effective 04/2013
Rate Filing Summary

This submission pertains to the 51+ Non-MSGR business of Group Hospitalization and Medical Services, Inc.

Included in this submission are benefit descriptions, rate derivations, and proposed rates for a new HealthyBlue network option. This option will be offered as standalone medical coverage and with integrated deductibles for HSAs.

HealthyBlue is a product line which encourages both healthier lifestyles and greater PCP coordination of care. The original HealthyBlue options were offered beginning 10/1/2010, and non-CDH HealthyBlue 2.0 options were introduced effective 12/1/2011. Three additional HB 2.0 benefit designs were offered after 8/1/2012. The new benefits outlined in this filing allow for HealthyBlue to be sold with a PPO network. The existing HB 2.0 options do not have credible experience. As of now, we do not anticipate needing to change the rate relativity of HealthyBlue 2.0. It is assumed that these rates will move in lockstep with HB 2.0.

The new HealthyBlue rates were derived from the HealthyBlue 2.0 rates that were approved in CFBC-128232518. The relative values of the proposed benefits/networks relative to the existing HealthyBlue products are shown in the table below.

	Product	Base Rate	Relative to Existing HB	Network
Existing	HealthyBlue 2.0	\$ 317.34	1.00	BlueChoice w/OON
	HealthyBlue 2.0 HSA	\$ 264.44	1.00	BlueChoice w/OON
	HealthyBlue PPO	\$ 422.59	1.33	RPN & BlueCard w/OON
	HealthyBlue PPO HSA	\$ 352.85	1.33	RPN & BlueCard w/OON

HealthyBlue options will follow our currently filed 51+ rating formula. HealthyBlue will be another Point of Enrollment (POE) option in addition to the current options. This means that when employers are choosing medical benefits to offer their employees, they can choose to offer a HealthyBlue benefit alone or in combination with other CareFirst medical benefits. This allows each employee the option to choose the benefit closest to his or her needs. As with other GHMSI products, the current POE rating factor will apply.

The form numbers associated with the new network options for Healthy Blue 2.0 are as follows:

The CFBC SERFF tracking number is CFBC-128831055.

The following forms will make up the CFBC HealthyBlue PPO contract:

DC/CF/HB/EOC (1/13)
DC/CF/HB/DOCS (1/13)
DC/CF/HB/SOB (1/13)
DC/CF/HB/IPP GRP (1/13)
DC/CF/HB/IPP MEM (1/13)
DC/CF/HB/ES (1/13)
DC/CF/HB/WELLNESS (1/13)

Group Hospitalization and Medical Services, Inc.
New Products for 51+ Non-MSGR HealthyBlue PPO Rate Filing Effective 04/2013

This submission pertains to the 51+ Non-MSGR business of Group Hospitalization and Medical Services, Inc.

Benefit Summary

		<u>Existing Base Option</u>	<u>Proposed HealthyBlue 2.0</u>		
		HealthyBlue 2.0	HealthyBlue 2.0	HealthyBlue PPO	HealthyBlue PPO HSA
In-Network	In Area	BlueChoice Network	BlueChoice Network	Regional Provider Network	Regional Provider Network
	Out of Area	None	None	Blue Card PPO	Blue Card PPO
	PCP Required	Yes	Yes	Yes	Yes
	Referrals Required	No	No	No	No
	Individual Ded	\$300, \$500, or \$1,000	\$300, \$500, or \$1,000	\$1,500, \$2,000, or \$2,500	\$1,500, \$2,000, or \$2,500
	Individual OOP Max	\$2,000	\$2,000	\$2,000	\$4,000
	Routine Physical	No Charge	No Charge	No Charge	No Charge
	PCP Copay	No Charge	No Charge	No Charge	Ded, then No Charge
	Spec Copay - Stand Alone Office	\$30 Copay	\$25 Copay	\$30 Copay	Ded, then \$30 Copay
	Spec Copay - Facility Based Office	Ded, then \$300 Copay	\$50 Copay	\$50 Copay	Ded, then \$50 Copay
	Diagnostic/Lab Tests & X-Ray (DXL)	No Charge	No Charge	No Charge	Ded, then No Charge
	Inpatient Facility Copay	Ded, then \$300 Copay per Admission	Ded, then \$300 Copay per Admission	Ded, then \$300 Copay per Admission	Ded, then \$300 Copay per Admission
	Inpatient Professional Copay	Ded, then No Charge	Ded, then No Charge	Ded, then No Charge	Ded, then No Charge
	Outpatient Facility Copay - Surgery @ Hospital	Ded, then \$300 Copay	Ded, then \$300 Copay	Ded, then \$300 Copay	Ded, then \$300 Copay
	Outpatient Facility Copay - Surgery @ ASC	Ded, then \$300 Copay	\$100 Copay	\$100 Copay	Ded, then \$100 Copay
	Outpatient Facility Copay - All Other Services	Ded, then \$300 Copay	\$50 Copay	\$50 Copay	Ded, then \$50 Copay
	Outpatient Professional Copay	Ded, then No Charge	Ded, then No Charge	Ded, then No Charge	Ded, then No Charge
	ER Subject to Ded	No	No	No	Yes
	ER Copay (waived if admitted)	\$200	\$200	\$200	Ded, then \$200 Copay
	UC Copay (Participating)	\$50	\$50	\$50	Ded, then \$50 Copay
Out-of-Network	In Area	Yes	Yes	Yes	Yes
	Out of Area	Yes	Yes	Yes	Yes
	PCP Required	No	No	No	No
	Referrals Required	No	No	No	No
	Individual Ded	\$1,000, \$2,000, or \$2,500	\$1,000, \$2,000, or \$2,500	\$1,000, \$2,000, or \$2,500	\$1,000, \$2,000, or \$2,500
	Individual OOP Max	\$4,000	\$4,000	\$4,000	\$4,000
	Routine Physical	Ded, then No Charge	Ded, then No Charge	Ded, then No Charge	Ded, then No Charge
	PCP Copay	Ded, then \$50 Copay	Ded, then \$50 Copay	Ded, then \$50 Copay	Ded, then \$50 Copay
	Spec Copay	Ded, then \$50 Copay	Ded, then \$50 Copay	Ded, then \$50 Copay	Ded, then \$50 Copay
	Diagnostic/Lab Tests & X-Ray (DXL)	Ded, then No Charge	Ded, then \$50 Copay	Ded, then \$50 Copay	Ded, then \$50 Copay
	Inpatient Facility Copay	Ded, then \$500 Copay per Admission	Ded, then \$500 Copay per Admission	Ded, then \$500 Copay per Admission	Ded, then \$500 Copay per Admission
	Inpatient Professional Copay	Ded, then \$50 Copay	Ded, then \$50 Copay	Ded, then \$50 Copay	Ded, then \$50 Copay
	Outpatient Facility Copay - Surgery	Ded, then \$500 Copay	Ded, then \$500 Copay	Ded, then \$500 Copay	Ded, then \$500 Copay
	Outpatient Facility Copay - All Other Services	Ded, then \$500 Copay	Ded, then \$500 Copay	Ded, then \$500 Copay	Ded, then \$500 Copay
	Outpatient Professional Copay	Ded, then \$50 Copay	Ded, then \$50 Copay	Ded, then \$50 Copay	Ded, then \$50 Copay
	ER Subject to Ded	No	No	No	No
	ER Copay (waived if admitted)	\$200	\$200	\$200	\$200
	UC Copay (Participating)	\$50	\$50	\$50	\$50
Rx Coverage: Not integrated with Medical				Not integrated with Medical	Integrated with Medical 0/25/45 after the deductible is met
Premium		\$317.34	\$317.34	\$422.59	\$352.85

Note: Deductibles & Out-of-Pocket Max listed are for individual tier. Amounts doubled for all other tiers.

HEALTHYBLUE PPO
51+ Non-MSGF Fully Insured Groups
Network Relativity Derivation

	Local						Out of Area				Network Relativity	Network Relativity (Rescaled)
	% Local	% OOA	% In Network	% OON	In Net Factor	OON Factor	% In Network	% OON	In Net Factor	OON Factor		
HealthyBlue PPO	85%	15%	70%	30%	1.30	1.65	70%	30%	1.50	1.85	1.44	1.33
HealthyBlue 2.0 (HMO Opt Out)	100%	0%	80%	20%	1.00	1.40	n/a	n/a	n/a	n/a	1.08	1.00

Algorithm	Network relativity is the sum of:									
	Local In Network	=	% Local	*	% In Network	*	In Net Factor			
	Local Out of Network	=	% Local	*	% In Network	*	OON Factor			
	Out of Area In Network	=	% OOA	*	% OON	*	In Net Factor			
	Out of Area Out of Network	=	% OOA	*	% OON	*	OON Factor			

HEALTHYBLUE PPO
51+ Non-MSGR Fully Insured Groups
Network Differences Between HB 2.0 and HB PPO

HB 2.0 \$300 deductible (existing rate): \$ 317.34
Network factor going from POS to PPO: <u>1.33</u>
HB PPO \$300 deductible: \$ 422.59

HB 2.0 HSA \$1,500 deductible (existing rate): \$ 264.44
Network factor going from POS to PPO: <u>1.33</u>
HB PPO HSA \$1,500 deductible (existing rate): \$ 352.85

Actuarial Certification

I, Ed Butler, am the Actuary, Large Group Pricing with Group Hospitalization and Medical Services, Inc. (GHMSI) doing business as CareFirst BlueCross BlueShield. I am a member in good standing of the American Academy of Actuaries and meet the qualification standards required to make this certification. I have been involved in the development of these rates.

To the best of my knowledge and judgment, these rating methodologies comply with applicable District of Columbia laws and regulations, produce premiums that are reasonable in relation to benefits provided, and are based on sound and commonly accepted actuarial principles that are consistent with applicable Actuarial Standards of Practice, including ASOP No. 8, for the legal entity in aggregate.

The net impact of this filing is to maintain the existing rate structure of our medical contracts but to add the following changes:

- We are adding one product with six levels of cost sharing.
- Price for cost sharing differentials for Ambulatory surgery when performed in a hospital or an ambulatory surgery center.
- Price for cost sharing differentials for Specialist office visit in a facility that has a facility charge.

This filing is being made to address GHMSI contract changes that are filed as form numbers:

- DC/CF/HB/EOC (1/13) submitted with this filing
- DC/CF/HB/DOCS (1/13) submitted with this filing
- DC/CF/HB/SOB (1/13) submitted with this filing
- DC/CF/HB/WELLNESS (1/13) submitted with this filing
- DC/CF/HB/IPP GRP (1/13) submitted with this filing
- DC/CF/HB/IPP MEM (1/13) submitted with this filing
- DC/CF/HB/ES (1/13) submitted with this filing

We are including the information needed for these forms which are an addition to our existing filing.

Ed Butler
Digitally signed by Ed Butler
DN: cn=Ed Butler, o=CareFirst BlueCross
BlueShield, ou=Actuarial Pricing Department,
email=ed.butler@carefirst.com, c=US
Date: 2013.04.04 13:38:25 -0400

Ed Butler, FSA, MAAA